

REMARKS

This responds to the Final Office Action mailed on June 26, 2007.

No claims are amended, claims 1-14, 22-50, 58-86, 94-115, 120-131 are canceled; as a result, claims 15-21, 51-57, 87-93, 116-119 are now pending in this application.

§103 Rejection of the Claims

Claims 15-18, 21, 51-54, 57, 87-90, 93 and 116-119 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Nishi (U.S. Publication No. 2002/0161691A1; hereinafter Nishi) in view of Holden et al. (U.S. Publication No. 2001/0032175A1; hereinafter Holden).

Applicants respectfully submit that the rejection of the above mentioned claims under 35 U.S.C. § 103 is defective for the reason that prior art references when combined do not teach or suggest all of the claim limitations of the independent claims of the present application.

Applicable Law.

In rejecting claims under 35 U.S.C. §103, the examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness. See M.P.E.P. §2142.

In the recent decision of the Supreme Court on *KSR Int'l Co. v. Teleflex Inc.*¹, the analysis of obviousness previously set forth in *Graham v. John Deere Co. of Kansas City*², was reaffirmed. The Court in *Graham* set out an objective analysis for applying §103 as follows:

“Under §103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background the obviousness or nonobviousness of the subject matter is determined.”³

When claim elements are found in more than one prior art reference, the fact finder must determine “whether a person of ordinary skill in the art, possessed with the understandings and knowledge reflected in the prior art, and motivated by the general problem facing the inventor,

¹ 127 S.Ct. 1727, 82 USPQ.2d 1385 (2007).

² 383 U.S. 1, 17, 86 S.Ct. 684, 15 L.Ed.2d 545 (1966).

³ The Court in *KSR v. Teleflex*, at page 1730, quoted the analysis of *Graham* from page 18.

would have been led to make the combination recited in the claims.” *In re Kahn*⁴. In so doing, the Examiner must make the factual determinations set forth in *Graham v. John Deere Co. of Kansas City*⁵.

Further, to establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*⁶. “All words in a claim must be considered in judging the patentability of that claim against the prior art.” *In re Wilson*⁷. Office personnel must rely on the applicant’s disclosure to properly determine the meaning of the claims. *Markman v. Westview Instruments*⁸.

Claim 87 includes the following limitation:

notifying automatically one or more bidders of the adjustment of the reserve price

The Final Office Action, in rejecting claim 87, contends that the above limitation is taught/suggested by the following from Holden:

When a user has been granted access to a scheduled auction, the user is automatically notified with an invitation message in block 705. The system automatically opens the auction at the scheduled time, and an additional reminder invitation message is sent to the authorized users via e-mail. Throughout the auction, a variety of auction events will trigger additional automatic e-mail messages to the users authorized for that auction in block 707, as described above. The system will automatically close an auction at the scheduled end time. Holden, paragraph 92 (first quote).

28. A system as recited in claim 22, wherein posting an auction is performed using an auction representative interface and once posted, the auction representative interface creating an event which triggers an automatic message for automatically notifying the posting auction representative of winning bidders of the posted auction.

Holden, claim 28 (second quote).

⁴ 441 F.3d 977, 988, 78 USPQ2d 1329, 1337 (Fed. Cir. 2006).

⁵ 383 U.S. 1 at 467.

⁶ 490 F.2d 981, 180 USPQ 580 (CCPA 1974).

⁷ 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

⁸ 52 F.3d 967, 980, 34 USPQ2d 1321, 1330 (Fed. Cir.) (*en banc*), *aff'd*, U.S., 116 S. Ct. 1384 (1996).

The above quotes from Holden relate to messages. The first quote relates to an automatic e-mail message. Automatic e-mail messages are triggered throughout an auction to users. For example, a user may be notified when the user has been granted access to a scheduled auction. The second quote relates to an automatic message. The automatic message is for notifying a posting auction representative of winning bidders.

Claim 87 requires an automatic notification of one or more bidders of an adjustment of a reserve price. In contrast, the first quote from Holden relates to automatic e-mail messages that are triggered throughout an auction to users. Specifically, the first quote fails to teach or suggest notification of one or more bidders, much less the notification of an adjustment of a reserve price. The second quote also fails to teach or suggest the limitations of the claim 87. The second quote relates an automatic message that is for notifying a posting auction representative of winning bidders. Clearly the “notification a posting auction representative” from claim 28 of Holden is not the same as a notification of winning bidders, as required by claim 87. Further, notification of “a posted auction” as recited by claim 28 of Holden is not the same as a notification of an adjustment of a reserve price, as required by the claim 87.

Moreover, Holden “teaches away” from the limitations of the claim 87. Specifically, Holden teaches away by relating a bidding screen that does not show a reserve price (Holden, Paragraph 28). Indeed, Holden may use the reserve price as a bidding limit to prevent a sale at a catastrophically low price. Nevertheless, Holden explicitly states, with reference to the reserve price and the bidding screen, “The reserve price is not shown” (*Id.*). To be sure, a review of Holden yields no description whereby the reserve price is disclosed to the bidders. Accordingly, Holden may be said to provide a written description (Holden, Paragraph 11) that is based on a definition of a “Reserve Price” (Holden, Paragraph 28) that is secret.

Holden therefore cannot be said to teach or suggest the above quoted limitation because Holden relates a reserve price that may be said to be secret and claim 1 requires an automatic notification of one or more bidders of an adjustment of a reserve price.

The above remarks are also applicable to a consideration of independent claims 15, 51, and 116.

In addition, if an independent claim is nonobvious under 35 U.S.C. § 103 then, any claim depending therefrom is nonobvious and rejection of claims 16-18, 21, 52-54, 57, 87-90, 93 and 117-119 under 35 U.S.C. § 103 is also addressed by the above remarks.

Further, Nishi cannot describe an automatic notification of one or more bidders of an adjustment of a reserve price, as required by claim 87, because Nishi fails to describe a buyer that receives such information, much less a screen that is viewed by a buyer that includes such information (Response to Office Action mailed December 22, 2006).

In summary, Holden in combination with Nishi does not teach or suggest each and every limitation of claims 15, 51, 87, and 116 as required to support rejections of the independent claims of the present application under 35 U.S.C. § 103.

Claims 19-20, 55-56 and 90-91 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Nishi and Holden et al. in view of Herschkorn (U.S. Patent No. 6,691,094; hereinafter Herschkorn).

Further, Herschkorn cannot describe an automatic notification of one or more bidders of an adjustment of a reserve price, as required by claim 87, because Herschkorn fails to describe an auction, much less a an adjustment of a reserve price.

Claims 19-20 depend on independent claim 15. Claims 55-56 depend on independent claim 51. Claims 90-91 depend on independent claim 87. Accordingly, the rejection of claims 19-20, 55-56 and 90-91 under 35 U.S.C. § 103 is also addressed by the above remarks

CONCLUSION

Applicants respectfully submit that the claims are in condition for allowance and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicants' attorney at 408-278-4046 to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Reservation of Rights

In the interest of clarity and brevity, Applicants may not have addressed every assertion made in the Final Office Action. Applicants' silence regarding any such assertion does not constitute any admission or acquiescence. Applicants reserve all rights not exercised in connection with this response, such as the right to challenge or rebut any tacit or explicit characterization of any reference or of any of the present claims, the right to challenge or rebut any asserted factual or legal basis of any of the rejections, the right to swear behind any cited reference such as provided under 37 C.F.R. § 1.131 or otherwise, or the right to assert co-ownership of any cited reference. Applicants do not admit that any of the cited references or any other references of record are relevant to the present claims, or that they constitute prior art. To the extent that any rejection or assertion is based upon the Examiner's personal knowledge, rather than any objective evidence of record as manifested by a cited prior art reference, Applicants timely object to such reliance on Official Notice, and reserves all rights to request that the Examiner provide a reference or affidavit in support of such assertion, as required by MPEP § 2144.03. Applicants reserve all rights to pursue any cancelled claims in a subsequent patent application claiming the benefit of priority of the present patent application, and to request rejoinder of any withdrawn claim, as required by MPEP § 821.04.

AMENDMENT AND RESPONSE UNDER 37 CFR § 1.116 – EXPEDITED PROCEDURE

Serial Number: 10/750,052

Filing Date: December 30, 2003

Title: METHOD AND SYSTEM TO ADJUST A SELLER FIXED PRICE OFFER

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Dkt: 2043.036US1

Respectfully submitted,

BRIAN ALAN GROVE ET AL.

By their Representatives,

SCHWEGMAN, LUNDBERG, WOESSNER & KLUTH, P.A.
P.O. Box 2938
Minneapolis, MN 55402
408-278-4046

Date 8.27.2007

By / Mark R. Vatuone /
Mark R. Vatuone
Reg. No. 53,719

CERTIFICATE UNDER 37 CFR 1.8: The undersigned hereby certifies that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail, in an envelope addressed to: MS AF, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on this 27 day of August, 2007.

Name Patricia Rebuttoni

Signature [Signature]